REMARKS

No change has been made to the claims; they are presented above in clean form for convenience of reference.

The Office has required restriction between claims 17 and 21, stating that watermark decoding functionality is invoked by a lower layer in claim 17, and by a higher layer in claim 21.

This analysis is mistaken.

Claim 17 recites a watermark decoder in a hardware layer, and a layered architecture with plural higher layers above the hardware layer. A software interface is provided to enable watermark decoding functionality to be invoked (i.e., by the decoder in the lower, hardware, layer).

A similar arrangement is detailed in claim 21. That claim requires "…a software interface through which a request to invoke watermark decoding functionality can be passed down from a higher layer to said watermark decoder…" Thus, the watermark decoding is again in a lower layer.

Because the restriction requirement is based on a misunderstanding of the claims, withdrawal is requested.

If the restriction requirement is made final, applicant elects to pursue the subject matter of claim 21 (reserving the right to petition for review of the requirement).

Date: February 5, 2008   Respectfully submitted,

                                                 DIGIMARC CORPORATION
Customer Number 23735

Phone: 503-469-4800
FAX 503-469-4777   By____/William Y. Conwell/_____
                                                     William Y. Conwell
                                                     Registration No. 31,943